



Harrah's Entertainment and AEG Agree to Develop World Class Sports & Entertainment Arena on the Las Vegas Strip

New Privately-Financed Indoor Venue Will Be Largest Sports and Entertainment Arena in Las Vegas

LAS VEGAS · August 22, 2007 /PRNewswire/ — Harrah's Entertainment, Inc. (NYSE: HET) and AEG today unveiled plans for of an approximately 20,000-seat, privately financed, state-of-the-art arena. This arena is envisioned to be Las Vegas' new home for the most popular and important sports and entertainment events. The site of the venue will be one block east of the world famous Las Vegas Strip on approximately 10 acres of land that is part of the current Harrah's land holdings.

As managing partner, AEG will be responsible for developing, operating and programming a full range of live sports and entertainment events including concerts, boxing matches, special events and awards presentations, as well as sporting events, tournaments and exhibitions. The arena will be constructed and configured in a manner that will make it capable of housing an NBA or NHL franchise.

"AEG and Harrah's Entertainment have put together a compelling, privately funded arena plan that will be a fantastic new attraction for Las Vegas Valley visitors and serve as a much needed sports and entertainment venue for Clark County," said Rory Reid, Clark County commission chairman. "With such exemplary reputations in delivering wonderful guest experiences, AEG and Harrah's are well-suited to bring the largest arena to the region. I'm looking forward to working closely with both organizations in bringing this arena to fruition for the entire region to enjoy."

Projected to open in 2010, the venue will also feature private "hospitality centers," luxury suites, club seats and an array of amenities, gourmet food offerings and entertainment options to make every guest's experience memorable and world-class.

"This arena is part of our on-going growth strategy and very much a part of our master plan for Las Vegas," said Gary Loveman, chairman, CEO and president of Harrah's Entertainment, Inc. "We are committed to offering a variety of entertainment options to our customers, and this arena will allow us to bring to Las Vegas high-quality sporting events along with top-name entertainment that our partners, AEG, have an unparalleled track record of delivering."

The proposed arena location, directly behind the Bally's and Paris resorts, will provide visitors convenient access between the arena and all the world-renowned amenities the Strip offers, including thousands of hotel rooms, monorail service, restaurants and nightclubs. "This site, behind our Bally's and Paris resorts, is an ideal location for this arena as it is within walking distance of the Strip and conveniently located for the nearly 40 million visitors to Las Vegas each year," said Mr. Loveman.

"There has never been a better time to create a world-class arena for Las Vegas," said Timothy J. Leiweke, president and CEO, AEG. "A city known for showcasing the most important and popular artists, events and extravaganzas needs a state-of-the-art arena to ensure that every important touring act considers Las Vegas a 'must-play' city while solidifying the city's reputation globally."

"This arena is being developed with the capability of hosting an NHL or NBA franchise from day one," continued Leiweke. "We continue to have productive conversations with potential owners and are optimistic that either basketball or hockey, or both, will be played in Las Vegas when the venue opens."

"We would not be here today without the tremendous cooperation and vision of Commissioner Reid and the members of the Clark County Board of Commissioners. This privately-funded project will pay enormous dividends to the entire region," Leiweke added. "We also would like to extend our thanks to Mayor Goodman for his interest and devotion to realize the need to have an arena in the Las Vegas community. To our friends, our partners and the citizens of Clark County, we are dedicated to creating an arena Las Vegas can be proud of ... I pledge today, we won't let you down."

Pursuant to a signed letter of intent between the two organizations, and subject to the completion of definitive documents, the project calls for construction to commence in summer 2008.

AEG is a leading developer and operator of venues such as STAPLES Center, The Home Depot Center, Target Center, London's O2 Arena and NOKIA Theatre Times Square and has a significant presence in Las Vegas through its live entertainment subsidiary AEG LIVE, which oversees programming for the Colosseum at Caesars Palace. AEG LIVE recently entered into an agreement to operate and program new 4,000 and 1,500-seat indoor venues now under construction on the Las Vegas Strip.

About Harrah's Entertainment, Inc.

Harrah's Entertainment, Inc. is the world's largest provider of branded casino entertainment through operating subsidiaries. Since its beginning in Reno, Nevada nearly 70 years ago, Harrah's has grown through development of new properties, expansions and acquisitions, and now owns or manages casinos on four continents. The company's properties operate primarily under the Harrah's, Caesars and Horseshoe brand names; Harrah's also owns the London Clubs International family of casinos. Harrah's Entertainment is focused on building loyalty and value with its customers through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership.

About AEG

AEG is one of the leading sports and entertainment presenters in the world. AEG, a wholly owned subsidiary of the Anschutz Company, owns or controls a collection of companies including facilities such as STAPLES Center, Toyota Sports Center, Toyota Park, NOKIA Theatre Times Square, NOKIA Theatre at Grand Prairie, Hollywood's El Rey Theatre, Seattle's WaMu Theatre, Minneapolis' Target Center and the just opened The O2, a 28-acre development located in the eastern part of London along the Thames River which includes a 20,000 seat arena and over 650,000sf of leisure and entertainment use; sports franchises throughout the world including the Los Angeles Kings (NHL), Los Angeles Riptide (MLL) and three MLS franchises in addition to overseeing privately held management shares of the Los Angeles Lakers (NBA). AEG developed and operates The Home Depot Center, a \$150 million national training facility on the Campus of California State University Dominguez Hills in Carson, California designated as an "Official U.S. Olympic Training Site" by the United States Olympic Committee that includes major facilities for soccer, tennis, track & field, cycling, lacrosse, rugby, action sports, beach volleyball, basketball and other sports.

The company's live entertainment division, AEG LIVE is one of the world's leading concert promotion and touring organizations that has recently promoted national tours on behalf of artists such as Prince, Bon Jovi, Kenney Chesney and Cheetah Girls as well as producing "A New Day ... " starring Celine Dion appearing exclusively at the Colosseum at Caesars Palace and the international museum tour of King Tut's artifacts.

AEG is overseeing the development of L.A. LIVE, a 4 million square foot / \$2.5 billion downtown Los Angeles sports, residential & entertainment district featuring NOKIA Theatre L.A. LIVE, a 7,100-seat state-of-the-art live theatre, a 54-story, 1001-room convention center "headquarters" hotel, Club NOKIA at L.A. LIVE, a 2,200 capacity live music venue, a 14-screen Regal Cineplex, "broadcast" facilities for ESPN, along with entertainment, restaurant, residential and office space and additional arenas, O2 World, on a 45-acre site in the heart of Berlin, Citizen's Business Bank Arena in Ontario, California, and Sprint Center in Kansas City, Missouri as well as a Red Bull Park, a soccer stadium in Harrison, New Jersey.

For more information about Harrah's, please visit: <http://www.harrahs.com>.

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